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ABSTRACT

This three-part curriculum for entrepreneurship education is primarily for postsecondary level, including four-year colleges and adult education, but it can be adapted for special groups of vocational teacher education. The emphasis of the eight instructional units in Part III is operating a business. Unit G focuses on community relations. It discusses ways in which an entrepreneur can help his/her business to interact succesfully with its community. Among the specific topics addressed are the entrepreneur's (1) participation in community organizations, (2) advertising and public releases, and (3) development of a community relations plan. Material is organized into three levels of learning which progress from simple to complex concepts: Exposure, Exploration, and Preparation/Adaptation. Each level contains preassessment; teaching/learning objectives; substantive information (questions in margins guide the students' reading); activities, including a postassessment; and a self-evaluation. Definitions of important terms are found at the beginning of the unit; a bibliography and listing of sources for further information are appended. The four-page instructor's guide contains the teaching/learning objectives, teaching/learning delivery suggestions, and pre/postassessment suggested responses. (YLB)

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Research and Development Series No. 194 C-7

P A C E

A PROGRAM FOR ACQUIRING COMPETENCE IN ENTREPRENEURSHIP

PART III: Being an Entrepreneur
Unit G: Community Relations

The National Center for Research in Vocational Education
The Ohio State University
Columbus, Ohio 43210

1980

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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PART III: BEING AN ENTREPRENEUR

UNIT G: COMMUNITY RELATIONS

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FOREWORD

Traditionally vocational education has been geared primarily to preparing students for employment--to preparing employees. Yet there is another career path available; students can learn how to set up and manage their own businesses. They can become entrepreneurs.

Vocational education, by its very nature, is well suited to developing entrepreneurs. It is important that entrepreneurship education be developed and incorporated as a distinct but integral part of all vocational education program areas. A Program for Acquiring Competence in Entrepreneurship (PACE) represents a way to initiate further action in this direction.

The strength behind these instructional units is the interest and involvement of vocational educators and successful entrepreneurs in the state of Ohio and across the nation. Special recognition is extended to the project staff: Lorraine T. Furtado, Project Director and Lee Kopp, Program Associate. Appreciation is also expressed to the many who reviewed and revised the drafts of the units: Ferman Moody, Hannah Eisner, and Sandra Gurvis. We owe a special thanks to those consultants who contributed to the content of this publication: Carol Lee Bodeen, Louis G. Gross, Douglass Guikema, Peter G. Haines, Philip S. Manthey, Charles S. McDowell, Mary E. McKnight, Steven R. Miller, Barbara S. Riley, Barbara A. Rupp, Ruth Ann Snyder, Robert L. Suttle, Florence M. Wellman and Roy H. Young.

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Executive Director
The National Center for
Research in Vocational Education

HOW TO USE PACE

A Program for Acquiring Competence in Entrepreneurship (PACE) is a curriculum responsive to the need for instruction in entrepreneurship. It is primarily for postsecondary level, including four year colleges and adult education, but it can also be adapted for special groups. PACE is divided into three parts (1) Getting Ready to Become an Entrepreneur, (2) Becoming an Entrepreneur (establishing a business), and (3) Being an Entrepreneur (operating a business).

Each of the three parts has a set of instructional units which relate to that topic. Within these units, the material is organized into three levels of learning: Exposure, Exploration, and Preparation/Adaptation. These levels of learning progress from simple to complex concepts.

The levels of learning will enable you to use the PACE materials to suit your individual needs. You may find it best to work with the exposure level of one unit and the exploration level of another. Or, you may choose to pursue one level throughout the entire series. You might also want to work through two or more levels in one unit before going on to the next unit.

Before beginning a unit, discuss with your instructor what level or levels of learning in that unit are most appropriate to your goals and abilities. Read the unit overview and look through the pre/post-assessments for the three levels to help you in your choice. Also check the list of definitions you might need to look up or research for that level.

When you are ready to start, turn to the level you have chosen, take the preassessment and identify those items which you feel need special attention in the unit. Also look at the learning objectives; they will tell you what you should be able to do by the time you finish that level of learning.

As you read, you will notice questions in the margins alongside the substantive content portion of each level. Use these questions to guide your reading.

At the end of each level of learning are activities which help you become involved with the content presented in the unit. You and your instructor can decide on how many activities you should do; you may want to do several or you many need to do all.

Then, evaluate yourself. Is there any material that you need to review before you take the postassessment? The difference in your answers on the pre/postassessments should show you how much you have grown in your knowledge of entrepreneurship.

When you and your instructor feel that you have successfully completed that level, you are ready to begin another level of learning, either in the same unit or in another.

OVERVIEW OF THE UNIT

This unit will explain why it is important for you to have a community relations plan for your business. The public image your firm projects is very important. Successful entrepreneurs understand their community and public responsibility.

In this unit, you will learn the ways in which you can help your business to interact successfully with its community. Among the specific topics addressed are your participation in community organizations, your advertising and public relations releases, and your development of a community relations plan.

PACE

PATH OF STUDY

PART I-- GETTING READY TO BECOME AN ENTREPRENEUR

Unit I A

Unit I B

Unit I C

PART II-- BECOMING AN ENTREPRENEUR

Unit II A

Unit II B

Unit II C

Unit II D

Unit II E

Unit II F

Unit II G

PART III -- BEING AN ENTREPRENEUR

Unit III A

Unit III B

Unit III C

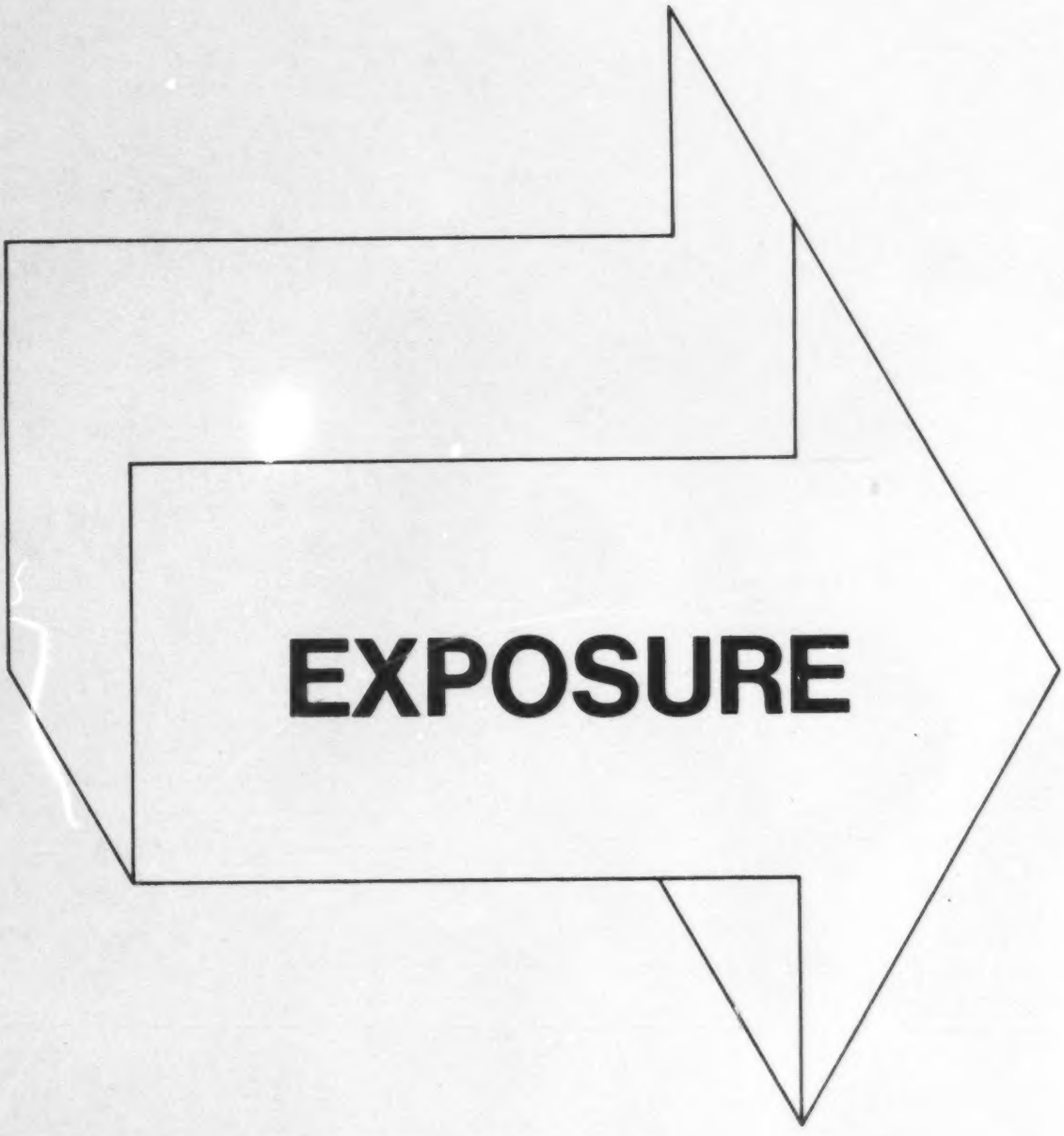
Unit III D

Unit III E

Unit III F

Unit III G -- Community Relations

Unit III H


EXPOSURE

EXPOSURE

PART III, UNIT G
COMMUNITY RELATIONS

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit -- check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Exposure Activities" section and measure what you've learned.

1. "Good community relations begin with the personality the entrepreneur displays in relationships with the banker, supplier, and public." React to this statement.
2. "Businesses selling basically the same products don't necessarily want to have the same image." Do you agree or disagree? Why might firms in the same field want to develop different public images?
3. Name and describe two service clubs and one professional group you believe you would join to promote good relations between your firm and the community. Why did you select these organizations?

4. What kind of public image do you want your firm to have? What strategies would you use to implement your community relations plan?
5. As an entrepreneur, how would you respond to the consumer demand that entrepreneurs assume responsibility for the community? What impact would this demand have on your business?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level of instruction you should be able to:

1. Describe the importance of community relations to business.
2. Identify the variety of sources from which the community learns about a company.
3. Discuss the importance of company involvement in community and professional organizations.

SUBSTANTIVE INFORMATION

DEFINING COMMUNITY RELATIONS

WHAT ARE COMMUNITY RELATIONS?

The term "community relations" describes the interaction of your business and the people, organizations, and groups in its surrounding community. As the entrepreneur, you can take the first steps toward establishing good community relations by dealing fairly and courteously with those people in the community whom you encounter in business transactions--your customers or clients, your banker, supplier, and postal officials. The attitude of your employees, the physical appearance of your business, the ways in which your business participates in or supports community projects are all a part of your community relations.

YOUR FIRM'S IMAGE

HOW IMPORTANT IS A FIRM'S IMAGE?

You, your firm's policies, and your performance are evaluated by others. This constitutes your firm's image--how it is viewed by others. Everyone and every business makes an impression on other people--either good, bad, or indifferent. The impression you leave becomes your reputation. The community will pass judgment on your firm. Your business, your actions, and your involvement in community activities determine how you are perceived.

A firm can only remain in business as long as the public permits it to operate and survive. Therefore, achieving a good image is imperative if your business is to succeed. Successful businesses realize that everything they do must always project a positive image.

Creating a good public image requires establishing carefully considered and organized goals. You will need to encourage community understanding of your firm's activities. In addition, you should keep community members informed on how you are complying with rules and regulations designed to protect them.

Your image begins to take form when you begin to inquire in the community about becoming an entrepreneur and with the initial actions you take in establishing a business. Similarly, your early dealings as an entrepreneur with the public will establish an impression of how ethical your firm will be.

Community Expectations

WHAT DOES A COMMUNITY EXPECT FROM AN ENTREPRENEUR?

Every community is composed of a group of people living in the same area and having many common interests in work, play, worship, learning, and social interactions. In a community, there are responsibilities to be shared by both the community's citizens and its business institutions if all are to enjoy the benefits of good community life. Both groups contribute to a community's welfare.

To foster good community relations, the business must respond to its citizens by living up to the favorable expectations they have established. Most communities expect a business organization to provide regular employment, good working conditions, fair pay, satisfying work, and good products or services. They also anticipate that local businesses will purchase goods and services from dealers in the community, therefore helping the community economically. Your business means jobs and dollars, and the community's

economic growth and development is directly related to the employment and personal income of its citizens. In addition, the company is expected to pay its share of taxes to support the local government and to contribute to worthwhile local charitable and cultural projects. Businesses are also expected to maintain a clean and attractive location.

There was a time when the entrepreneurs were able to operate the firm pretty much as they wanted to. Profit margins were not questioned. Advertising was not closely regulated. Product content was not closely reviewed. Safety in working conditions was not investigated. They physical structure of the building was left strictly to the entrepreneur.

More recently, community concerns have been responsible for the development of rules and regulations designed to protect the public from what are thought to be bad business practices. Consumer advocacy is very important. Labor standards have been established and implemented. Government agencies enforce rules and regulations. These regulations are concerned with the protection of employees and the community, in addition to tax obligations. Today the members of the community expect to see more positive action from businesses than payment of taxes.

Since a business has a responsibility to the community stockholders and employees, you might think that, at times, a business trying to practice good community relations might have to decide what each group considers acceptable behavior. Interestingly, conflict seldom occurs. Stockholders and employees are part of the community and therefore share many of the expectations held by the community at large.

COMMUNICATING YOUR FIRM'S IMAGE

HOW CAN THE COMMUNITY GET TO KNOW YOU?

Communicating your firm's image can be done through personal contact. Contact can be initiated through the media, service clubs, civic organizations and professional organizations.

Media

WHAT DOES THE MEDIA COMMUNICATE?

The media may be anxious to inform the citizens of what your firm will contribute to their community in terms of jobs and money, and may become involved almost immediately.

You should recognize that all your actions will be visible. You should prepare for possible interviews for radio, newspaper, and television. Will you be ready to discuss what your firm expects to contribute to the community? Have you prepared a written statement which tells about your business? How you present yourself is very important to your firm's image.

Many new businesses under construction put up a sign that states the number of employees to be hired and the contributions the firm will make to the community in tax dollars. While your place of business is being built or remodeled, you may want to use this type of sign to inform the passing public of the planned opening. This is a positive way of letting the public know about you.

Service Organizations/Service Clubs

HOW DO YOU GET INVOLVED IN THE COMMUNITY?

The community also develops an image about you and your firm through your involvement with and committment to community service organizations. This involvement reflects your interest in the community and its citizens. It will help the community to get to know you on a social basis, and it will give you the opportunity to share the goals and objectives of your company. Your participation in such groups will allow you to inform the other members of the activities of your company.

Your support of these organizations may take different forms. In some instances you may become an active member. Active participation in service clubs will take much precious time, but you will find the effort worth it. In others, you may choose to make a monetary contribution or contribute materials to be used in special projects. Whatever the involvement, it will become another means of developing your firm's image.

What civic and service groups exist in the area in which you want to open your firm? The following is a list of organizations found in many communities:

1. Lions Club
2. Urban League
3. Junior Chamber of Commerce
4. Optimists
5. Business and Professional Women
6. American Business Women

7. Special interest groups such as garden clubs or literary clubs.

Professional Organizations

WHAT ABOUT PROFESSIONAL ORGANIZATIONS?

If a professional organization in your field is available in the community, seriously consider joining it. For example, if you are a builder, you might want to join a builder's association. The common concerns that you share with the other members in the group is reason enough for you to become involved. Joining a professional organization will help you to become acquainted with the owners of well established businesses. These business people may be able to provide you with assistance in finding reliable suppliers, and in informing you of local ordinances, rules and regulations, and distribution problems that pertain to your kind of business. Joining a professional organization will help you get to know these individuals quickly, learn from one another, and foster the exchange of ideas.

If there is no professional organization in the area, perhaps you can establish one. Assuming the leadership necessary to form such a group will be very time consuming; however, the benefits to be gained by you and your firm may well be worth the effort.

EXPOSURE ACTIVITIES

As you have just read, good community relations is a very important part of all businesses. Now that you have learned some ways to effect good community relations, try these activities.

ASSESSMENT ONE

1. Watch your newspaper for articles telling about community relations activities of small businesses. Collect five such articles and describe your reaction to each activity. Each reaction statement should be no more than four paragraphs long and should include this information:
   a. Was the activity good for the community?
   b. What type of image did it create among the community's people?
   c. Was the community relations activity one that you would undertake for your firm? Why? Why not?
2. Make a list of all the ways you might learn about a business. Select a business and keep a log for one week of the information you get from radio, television, newspapers, billboards, publications, friends, family, and coworkers. Did you get the same image from all the sources?
3. Check your local newspaper each day for one week and note the participation and support given by local businesses to community organizations. Were there some community activities that seemed to get more business support than

others? Did you find any relationship between the community group and the type of business? Did some businesses seem to be more involved than others in community activities? Write a detailed report of your findings, making these and other comparisons of interest to you.

4. Identify three or four small businesses in your community. Make sure at least two are in your area of interest. Check with the owners/managers to define the community organizations in which they are involved. Ask the owners/managers to explain their form of "support" for these groups. Are they very active in the community? Ask them to explain to you what they believe are the best ways to develop good community relations. Record your findings on a chart like the one below:

Type of Business	Business Name	Community Organizations	Form of Support
Barber Shop	Cuts and Cuts	Rotary	Owner is a member

POSTASSESSMENT

1. "Good community relations begin with the personality the entrepreneur displays in relationships with the banker, supplier, and the public." React to this statement.

2. "Businesses selling basically the same products don't necessarily want to have the same image." Do you agree or disagree? Why might firms in the same field want to develop different public images?
3. Name and describe two service clubs and one professional group you believe you would join to promote good relationships between your firm and the community. Why did you select these organizations?
4. Describe the image you would want the public to have of your firm. Outline a community relations plan for your firm which would go into operation as soon as you select the site (before the business is opened). What strategies would you use from the beginning?
5. As an entrepreneur, how would you respond to the consumer demand that entrepreneurs assume responsibility for the community? What impact would this demand have on your business?

Compare your answers to your responses to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

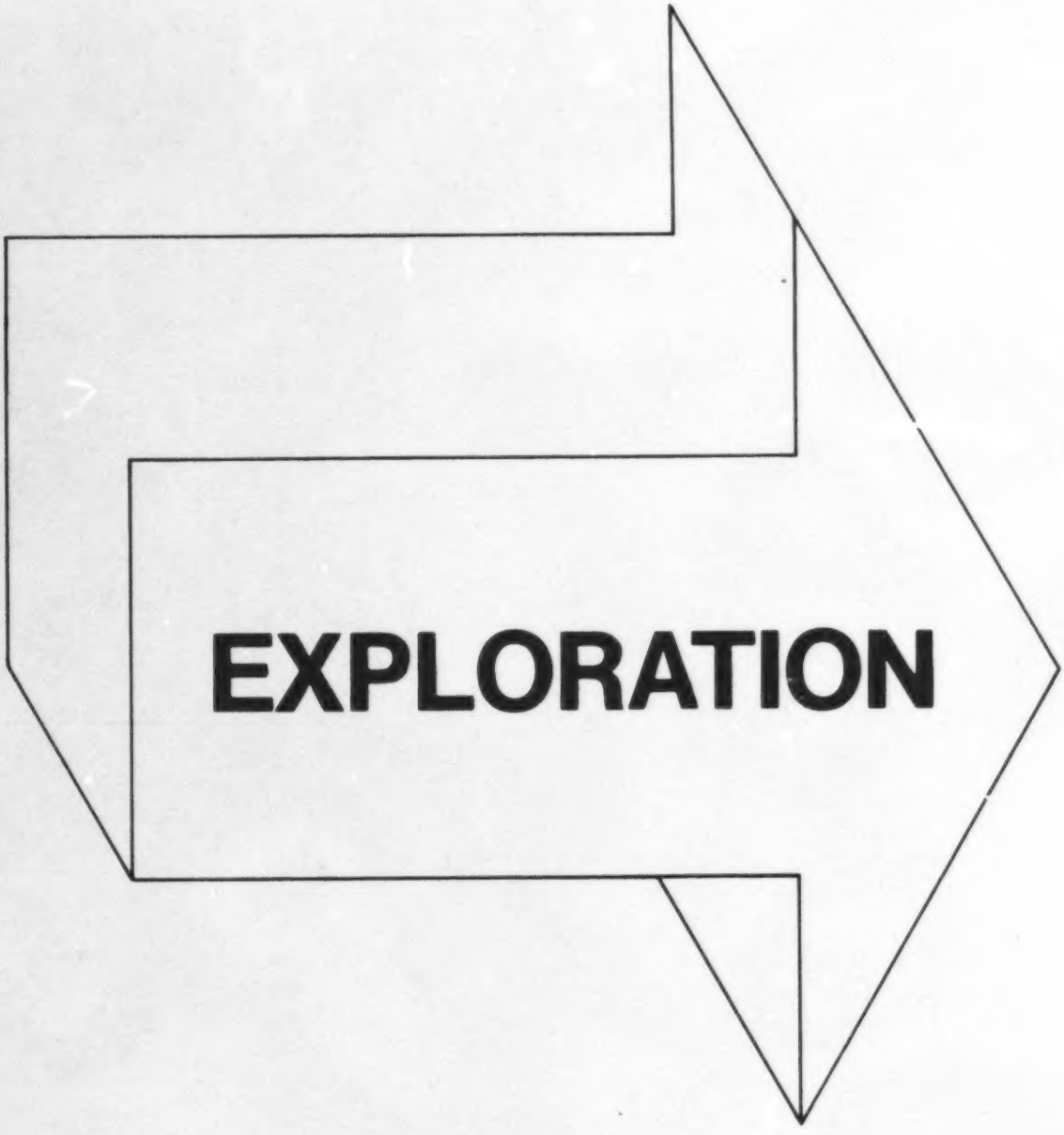
How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little.

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.


EXPLORATION

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit -- check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Exploration Activities" section and measure what you've learned.

1. What are the expected outcomes of good community relations? Select two outcomes from your list and discuss them in detail. As an entrepreneur, how could you be assured that these outcomes would occur?
2. What are the objectives of good relations programs in general. Explain why you selected those objectives for the type of business you are interested in. Are some more important than others? Why or why not?
3. Can a good community relations program help a company recruit qualified staff?
4. Propose a complete community relations program for your business. State the objectives, outcomes expected, and strategies you would use to achieve the objectives.
5. "Your actions as an entrepreneur affect all people who come in contact with you in some manner." React to this statement. Do you agree or disagree? Why?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level of instruction, you should be able to:

1. Identify the outcomes expected in maintaining good community relations.
2. Cite the objectives of a community relations program.
3. Explain how community relations programs can help companies recruit qualified staff.

SUBSTANTIVE INFORMATION

OUTCOMES OF GOOD COMMUNITY RELATIONS

WHAT ARE THE EXPECTED OUTCOMES OF GOOD COMMUNITY RELATIONS?

Good community relations pay off. The firm that maintains good community relations can expect many good outcomes, including the following:

1. Assured labor supply
2. Sales opportunities
3. Better living conditions in the community
4. Improved employee morale
5. A more positive attitude toward the firm on the part of the civic sector of the community
6. Local legislation which does not discriminate against private enterprise
7. Local identity that is very favorable
8. Prevention of misunderstandings about the business
9. More accurate community understanding about the business and its role in the community
10. Additional sources of credit or new capital.

The company's ability to recruit qualified employees depends greatly on the reputation the company maintains in the community. If you treat your employees as human beings with feelings, pay competitive wages, and provide a good working environment you can be assured of their loyalty. Employees who know that their employer is concerned about their housing, their schools, their churches, and the public services available in the

community will probably be more productive on the job and will probably feel good about their employer. Prospective workers will assuredly be in favor of working for your firm if you have developed the image of using ethical business practices, treating employees honestly, and being fair. The business decisions you make are measured by those they affect.

The community, in turn, will be more responsive to your needs if you present a good image. Frequently, a business's efficiency is dependent on the reliability of the community services. The quality of your fire and police protection will have a direct bearing on your insurance costs. The efficiency of your garbage collection service could have an effect on your production costs, labor turnover, and the physical safety of your business property. Maintaining good relations in the community will help you benefit from its services.

As a business owner, you are responsible for conveying to the community the role small business has in our free enterprise system. The community needs to know you, and you need to know the community. As an entrepreneur, you must keep the public informed if you are to survive and be perceived as effective and industrious.

OBJECTIVES OF A COMMUNITY RELATIONS PROGRAM

WHAT ARE THE OBJECTIVES OF COMMUNITY RELATIONS?

The size and characteristics of the locality in which the entrepreneur locates the business affect the objectives of the community relations programs. The following are some principle objectives of community relations programs that exist no matter where the firm is located. The company should strive to:

1. Inform the community about its policies, operations, and problems. The company should inform the community about its product or service, how many people it employs, the amount of its payroll, what it pays in taxes, what it spends locally, how it regards its community responsibilities, and what it contributes to local social and economic life.
2. Inform people connected with the firm of its operations and encourage them to tell about the company to their friends and neighbors.
3. Correct misunderstandings and answer criticism of the company and its policies by local groups in an honest, objective, and positive manner.
4. Establish the company as an important part of community life through contributions to local institutions and participation in neighborhood affairs and activities.
5. Find out what members of the community think and say about the company, its policies, and operations.

6. Promote the welfare of the community by advertising its advantages and attractions to tourists and by promoting its resources and industrial potential to attract new industry.
7. Gain the understanding of the community during labor controversies through a candid discussion of the issues involved and the company's position.
8. Get acquainted with the community by inviting local groups and leaders to meet with you and your employees to see how the firm operates.
9. Assist local schools by furnishing facilities, resource people, and equipment for training students.
10. Support community efforts to improve the quality of life in the community -- for example, with park facilities, auditoriums for music and drama performances, stadiums for sporting events.
11. Promote community health by supporting local health programs.
12. Support local programs to help reduce juvenile delinquency and gain the goodwill of both young and old citizens.
13. Aid local government in the improvement of public services and facilities.
14. Cooperate with other companies in the community in promoting a better understanding of business.

Generally speaking, the community relations objectives of a a company are achieved by (1) informing the community of all company news which affects the citizens, (2) showing cooperation with the community in tasks related to civic growth, improvement, and welfare, and (3) striving to foster a friendly and sympathetic relationship between the community and the company.

It is not an easy task to set these objectives nor to achieve them. However, developing a public image must include establishing carefully defined and organized goals and developing the strategies which will best achieve the goals. Remember, good community relations are imperative to a business's success.

EXPLORATION ACTIVITY

Do you feel knowledgeable enough in community relations to be able to put into practice some of the techniques discussed in the unit? After completing the following activity, do a self-evaluation to check your understanding of the material.

POSTASSESSMENT

1. Describe four expected outcomes of good community relations. Select two outcomes from the list and discuss them in detail. As an entrepreneur, how could you be assured that these outcomes would occur?
2. Good community relations programs have objectives. Define and describe five of these. Identify an additional two objectives in a business in your area of interest. Why did you select the seven listed? Are they more important, in your opinion, than some others?
3. Explain how a good community relations program can help a company recruit qualified staff.
4. Develop a complete community relations program for your business. State the objectives, outcomes expected, and strategies you would use to achieve the objectives.
5. "Your actions as an entrepreneur affect all people who come in contact with you in some manner." React to this statement. Do you agree or disagree? Why?

Compare your answers to your responses to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

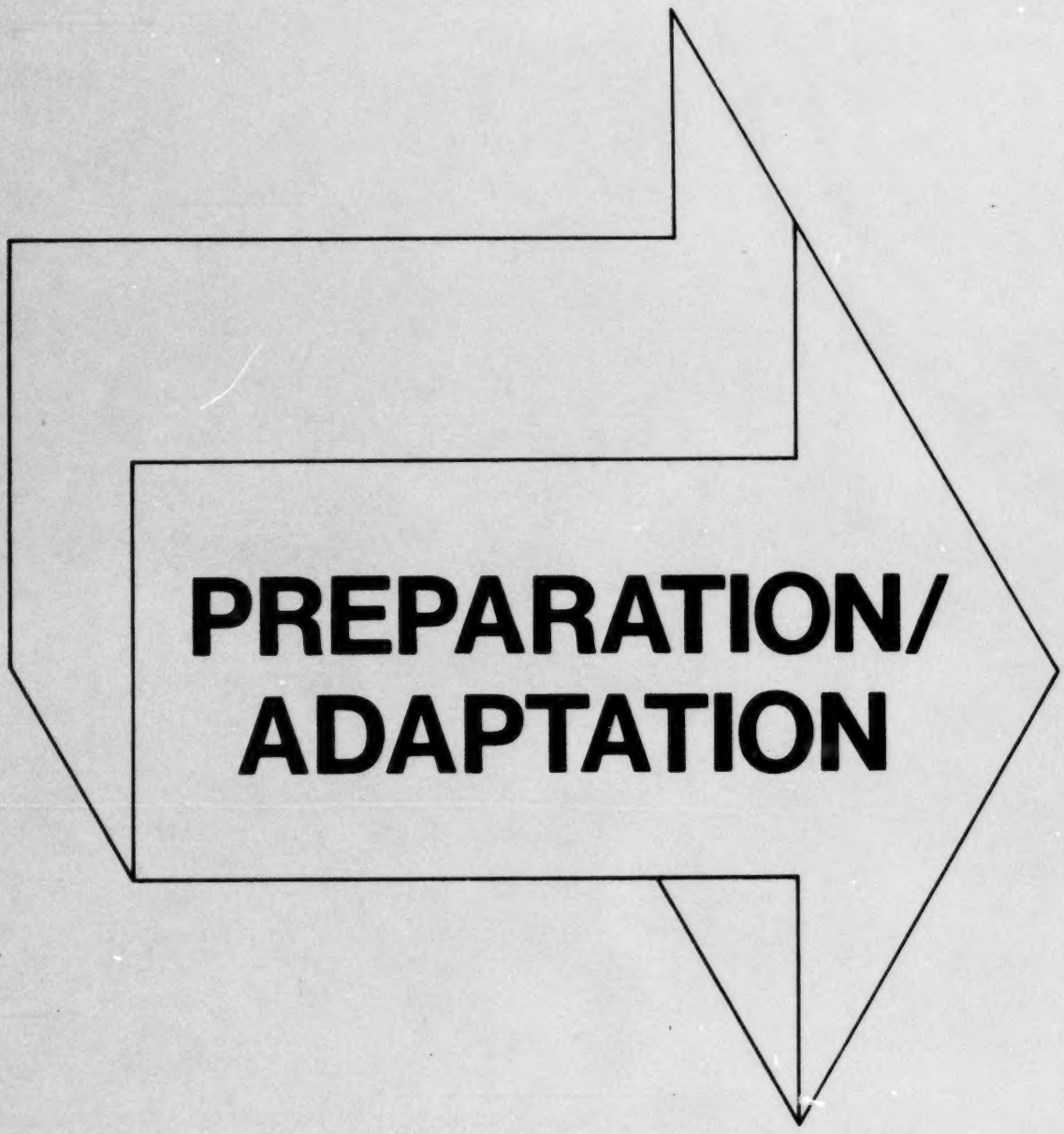
How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little.

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.


PREPARATION/
ADAPTATION

PREPARATION/ADAPTATION

PART III, UNIT G
COMMUNITY RELATIONS

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit - check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Preparation/Adaptation Activities" section and measure what you've learned.

1. What tasks does the community relations function involve?
2. If you owned a small firm, to whom would you assign the responsibility for the community relations function?
3. What kind of information about a firm should be disseminated to the community?
4. What steps are involved in planning a community relations program?
5. Identify the media available to communicate a firm's community relations program. What is the importance of each medium in relation to your firm? Select three of the media that you believe you would want your firm to use. Why did you select the three you have identified?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level of instruction, you should be able to:

1. List the procedures to be followed in maintaining good community relations.
2. Identify those who should administer and implement the community relations program and describe their functions.
3. List and describe the six recommended steps in planning a community relations program.
4. List the media available for communicating your company's community relations activities.

SUBSTANTIVE INFORMATION

ESTABLISHING A COMMUNITY RELATIONS PROGRAM

WHAT IS THE COMMUNITY RELATIONS FUNCTION?

The community relations function includes planning, conducting opinion research, establishing policies and objectives, preparing communication media, and evaluating the community relations program. You may have to adapt these functions for your entrepreneurial needs. Regardless of whether your community relations program is sophisticated or informal, you must include all these tasks; they are the integral parts of any good community relations program. The program would not be complete if even one was left out.

You might want to consider coordinating or assigning the responsibility for doing various tasks to your staff. You should closely analyze each person's strengths so you can delegate the responsibility to the person who might be most successful at performing the job.

Should you believe that neither you nor any of your employees has the expertise to perform the tasks outlined above, you may want to consider obtaining outside assistance. There are many consulting firms which specialize in community/public relations work. They can promote your firm's image, develop the strategies necessary to perform the tasks of community relations, and even handle any press conferences, newspaper announcements, etc.,

that you may want. Normally, the fees charged are high. However, the results will justify the expense.

Good community relations require a great deal of the entrepreneur's time and will probably cost money. As a beginning entrepreneur, you may not be as concerned with community relations as you are with finding the right suppliers. You have so much to do to open your business that developing a community relations plan seems to be a task that can wait.

Unfortunately, many new businesses get a public image without taking time to establish carefully defined and organized goals for the firm's community relations activities. When goals are not established, the public image developed is often not what the entrepreneur had in mind for the firm. Your firm will establish an image in the community whether or not you develop a community relations program. So, developing a community relations program which is well defined is imperative if your firm is to have the public image you want.

Information Needed in a Community Relations Program

WHAT KINDS OF INFORMATION SHOULD THE COMMUNITY BE GIVEN ABOUT THE FIRM?

Most of the contributions a company makes to a community are economic in nature. They may include improvement of the town's appearance, aid to education, cultural leadership, aid to agriculture and local industry, promotion of community health,

assistance to sports and recreational programs, promotion of the community's attractions and resources, help to the youth of the community, jobs for the unemployed, and aid to private and governmental community agencies. Citizens also need to know about these common contributions:

1. How many men and women are employed?
2. What are the hourly earnings of the employees?
3. What percentage of the total community payroll does the firm contribute?
4. What are the dividends paid to local stockholders?
5. What investment has been made in local property?
6. What kind of and how many products are produced or services performed?
7. What kinds and amount of taxes are paid to the community?

Every business should keep the community informed about its activities as well as about the contributions it makes to the community's welfare. These contributions should be clearly understood by the citizens.

Planning a Community Relations Program

WHAT ARE THE STEPS IN PLANNING A COMMUNITY RELATIONS PROGRAM?

There will always be informal public relations going on among employees and the community. Informal community relations are good only if they are positive. However, there are formal steps that can be taken in planning a community relations program. A formal community relations program brings all phases of community relations together to achieve the goals and objectives developed.

This systematic approach is the best way to assure that the outcomes expected from the community relations program are achieved.

The first step in planning a community relations program is the careful and thorough study of the community. An understanding of the social, economic, and political conditions that determine the climate in which the business operates is essential. This study may be done informally by listening to comments at a service club meeting or formally by an agency you hire to provide such information.

The second step is to look at your firm with the intention of insuring that your policies and practices will be favorably received by the community. You should pay particular attention to personnel policies and practices that affect employee attitudes and job satisfaction. Employees share both good and ill feelings about their job and the firm with neighbors.

The third step is to determine long- and short-range objectives for the community relations program. After both long- and short-range objectives are identified, the firm's operating policy for community relations can be developed. No matter how limited in scope the operating policy is, it can help both the community and your employees solve specific problems rather than merely communicate only general information about the enterprise.

The fourth step involves selecting the proper methods of communicating the strategies and the company's aims, objectives, and problems to employees and the community. The activities designed to accomplish the objectives must be closely related to each objective. Different objectives require different implementation strategies.

The fifth step is to gain from your managers, supervisors, and employees a commitment of cooperation and support in carrying out the community relations program. This step is only effective if relations with employees are positive.

The sixth step is to evaluate the effectiveness of the program. An opinion survey of the community might be conducted. A community relations program can also be evaluated in terms of the records you keep. Your records are measuring devices which can tell you if your operation is making a profit or operating at a loss. The quality and effectiveness of your community relations program is reflected in large part through your business records.

COMMUNITY RELATIONS MEDIA

HOW ARE COMMUNITY RELATIONS PROGRAMS COMMUNICATED TO THE PUBLIC?

A community relations program depends on media to communicate its messages and desired images to the public. There are a variety of media available to communicate your firm's community relations messages. Before deciding if one medium is superior to another, you must analyze it in terms of the objective you wish to achieve. You must carefully weigh and compare the advantages

and costs of using each medium. Only you can determine the best media for your firm.

The media most frequently used are:

1. Newspaper advertising
2. Television and radio advertising
3. Press publicity (print, television, radio)
4. Company publications, including annual reports, booklets, and brochures
5. Grand openings, open houses, and plant tours
6. Public speaking by executives
7. Visits to community institutions
8. Opinion leader meetings
9. Employee contacts
10. Audiovisual presentations
11. Exhibits and displays.

Newspaper Advertising

The entrepreneur who places advertisement in the local newspaper is using a basic medium for communicating with the community. The primary advantage of newspaper advertising is speed. A message may be conveyed to the public in a short period of time, especially with daily newspapers. Another advantage is the relatively low cost of newspaper advertising.

You can also use the newspaper to correct misconceptions about the company, to win goodwill, to encourage local government leaders to have favorable attitudes toward the firm, to improve labor relations, and to render public service.

Radio and Television Advertising

Advertising spots on local radio and television stations may also be used. The primary advantage of radio and television is that it uses the influence of the human voice in addition to sound effects and music. This type of advertising helps gain prestige, inspires pride of employees, affords instantaneous communication, and is easily understood and remembered.

Company Publications

You may wish to prepare extra copies of all business publications prepared about your firm to mail to selected public officials, teachers, merchants, bankers, and other leaders within the community. For example, if you start a company newsletter, it may be profitable to make sure that community leaders and other businesses receive a copy, in addition to employees.

You may decide to print a brochure to acquaint and educate the community about your firm. Or you may support the printing costs for a community publication such as a March of Dimes brochure.

Annual reports may appear in the local newspaper or they may be mailed to community leaders and given to visitors. More and more companies are using the annual report as a primary advertising medium.

Booklets and folders describing the firm and its products and services may be distributed to visitors. They may also be used as part of a company display and as training materials for new employees.

Grand Openings, Open Houses, and Plant Tours

As soon as it is possible for you to have a grand opening of your business, you should do so. A grand opening lends a festive note to your new venture. Grand opening gifts or discounts give you a chance to show your goodwill to the community and to build up a clientele.

Open houses can be used by all types of businesses. The public should be encouraged to come to an open house; they are understandably curious about the new business in their community. The open house gives them the opportunity to see and hear about it firsthand. An open house has several advantages:

1. It establishes a company as a good place to work and shows that the company is interested in the welfare of its workers.
2. It can correct misconceptions and gives people accurate impressions.

3. Information secured during an open house is retained longer.
4. The open house is a rapid means of building better community understanding.
5. The friendliness and neighborliness of an open house gives a company a "heart."
6. Employee interest is stimulated by giving them an opportunity to show their families and neighbors where and how they work.
7. It creates interest among prospective employees.
8. It can stimulate the sale of goods.

Plant tours are an especially effective community relations tool for manufacturing concerns. People like to see how things are made and to watch machines in operation. Plant tours have many of the same advantages as open houses. In addition, they can be conducted at any time or upon the request of local organizations, such as civic or educational groups.

Public Speaking by Executives

A business can make personal contact in the community by furnishing speakers for local service group, school, and professional society programs. Service clubs seek speakers for monthly or weekly programs. You might want to begin your speech with information about your business, for these organizations share the outcomes of their meetings with other community members.

Opinion Leader Meetings

Influential community leaders should be invited to meetings which promote better understanding of company policies and operations. You may wish to designate special days such as "Barber's Day," "Clergy Day," "Business Education Day," or "Firefighter's Day," for meetings with certain professions or groups.

Employee Contacts

Encouraging employees to get involved in civic activities fosters good community relations. Employees will tell their neighbors, friends, and relatives about their employer who encouraged them to become involved in civic, educational, professional, or other organizations.

Audiovisual Presentations

Your resources may be limited as a beginning entrepreneur, but you may still want to consider making a slide and tape presentation to describe your business. This presentation could be shown at civic organization programs and to suppliers. It could also be used as training material for new employees. Be sure to have a slide and tape presentation developed by a professional. A "homemade" presentation could give the wrong image about your firm.

Exhibits and Displays

Exhibits and displays which describe your firm and its role in the community may be set up at the county fair, school career awareness days, or at the local airport.

PREPARATION/ADAPTATION ACTIVITIES

Are you able to apply these community relations principles to your business aspirations? Are you now knowledgeable about the functions of good community relations? The following activities should help you check your knowledge.

ASSESSMENT ONE

1. Contact three small business owners in your field of interest to find out what procedures they use in maintaining good community relations. Do the companies have a plan for community relations? Compare the information you received from the business owners. Do they use the same procedures? If yes, why? If not, why not? You may use this form to report your findings:

Business Name	Procedure Followed for Community Relations	Explanation

2. Interview the owner/manager of a small business whose employees are very active in the community. Ask the interviewee if any special incentive programs are used to motivate the firm's employees to participate in community activities.

POSTASSESSMENT

1. Name and describe three tasks the community relations function involves.
2. If you owned a small firm, to whom would you assign the responsibility for the community relations function?
3. List five kinds of information that a community should be told about a firm.
4. List the six steps involved in planning a community relations program. Describe each step in detail.
5. Identify five media that are available to communicate to the public the firm's community relations program. Describe each and rank each according to its importance to your firm. Select three of the five media that you believe you would want your firm to use. Why did you select the three you have identified?

Compare your answers to your responses to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little.

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.

SOURCES TO CONSULT FOR FURTHER INFORMATION

Small Business Administration. Profitable Community Relations for Small Business. Small Business Management Series, no. 27. Washington, D. C.: Government Printing Office, 1961.

FILMS

EXPLORATION LEVEL:

"You and Your Customers" (13½ mins., sd., color, 16 mm). Available for purchase or rental from Sales Branch, National Audiovisual Center - General Services Administration, Washington, D. C. 20406. Phone (301) 763-1854.

Presents situations involving customer relations and small retailers. Film can be stopped for discussion following some of the more involved situations. Possible solutions to the problems are then summarized during the film.

RESEARCH AND DEVELOPMENT SERIES NO. 194 C-7

PACE

A Program for Acquiring Competence in Entrepreneurship

Instructor's Guide

Part III

Being An Entrepreneur

Unit G

Community Relations

THE NATIONAL CENTER
FOR RESEARCH IN VOCATIONAL EDUCATION
THE OHIO STATE UNIVERSITY
1960 KENNY ROAD • COLUMBUS, OHIO 43210

USING THE INSTRUCTOR'S GUIDE

The Instructor's Guide contains the following:

- Teaching/Learning Objectives (identical to the Teaching/Learning Objectives found in the PACE unit)
- Teaching/Learning Delivery Suggestions
- Pre/postassessment Suggested Responses

This information is geared towards the three levels of learning, and is designed for use as a supplemental teaching aid. Additional instructions for using PACE, sources of information, and an annotated glossary can be found in the PACE Resource Guide.

PRE/POSTASSESSMENT
SUGGESTED RESPONSES

EXPOSURE

1. The entrepreneur's personality is very important to the firm; it is an integral part of the firm's image.

2. Firms selling basically the same products may try to develop different images for a number of reasons, such as trying to reach different markets.

3. Service clubs include Urban League and Lions Club. Joining a service club would indicate that the entrepreneur is concerned with improving the community. Professional groups include American Business Women. Entrepreneurs join professional groups to become acquainted with owners of well-established businesses, to meet others with whom they share common concerns, and to share ideas and learn from each other.

4. Responses should indicate an understanding of these facts: (a) you start communicating your image when you begin to inquire in the community about becoming an entrepreneur, (b) the site selected is part of a firm's identity, and (c) a community relations plan should be designed to project a desired image.

5. Entrepreneurs should establish community relations goals that reflect an understanding and acceptance of their responsibilities to the community. Plans for reaching these goals should be included in their long-term plans.

EXPLORATION

1. Responses should reflect detailed knowledge of expected outcomes and methods of planning. An entrepreneur could help the desired outcomes occur by showing concern for employees, by treating them with respect, by paying good wages, and by providing good working conditions.

2. Responses should indicate an understanding of the fact that community relations programs must be tailored to meet the needs of the firm and community.

3. The company's ability to recruit qualified employees depends greatly on its image in the community. Prospective workers will be more willing to work for a firm that has a reputation of using ethical business practices, treating employees honestly, and being fair.

4. The community relations programs developed will be affected by the size and characteristics of the cities where respondents plan to locate and the type of businesses being opened.

5. Responses should indicate awareness of the fact that any action an entrepreneur makes conveys the role and image small business has in our free enterprise system.

PREPARATION/ADAPTATION

1. The community relations function includes planning, conducting opinion research, establishing policies and objectives, preparing communication media, and evaluating the community relations program.

2. You might coordinate or assign to your staff responsibility for doing various community relations tasks. You might also consider outside assistance.

3. Topical areas of community interest may include (a) number of employees, (b) dividends paid to local stockholders, (c) investment in local property, (d) products produced, (e) production output, and (f) taxes paid to the community.

4. Responses should include detailed descriptions of the following: (a) careful and thorough research of local opinion and attitudes toward the company; (b) examination and possible revision of current practices and policies; (c) determination of long- and short-range objectives for the program; (d) selection of media for communicating program objectives to employees and community; (e) enlistment of employee support; and (f) evaluation of program effectiveness.

5. Five of the following media should be ranked: (a) newspaper advertising; (b) television and radio advertising; (c) television, radio, and press publicity; (d) open house; (e) plant tours; (f) visits to community institutions; (g) annual reports; (h) direct mail; (i) opinion leader meetings; (j) employee contacts; (k) public speaking; (l) audiovisual presentations; (m) community publications; and (n) exhibits and displays. Responses should be geared to the particular venture being considered and should reflect community relations knowledge.

LEVELS OF LEARNING	TEACHING/LEARNING OBJECTIVES Upon completion of this level of instruction you should be able to:	TEACHING/LEARNING DELIVERY SUGGESTIONS A variety of different teaching/learning methodologies have been used. To help you organize your work and plan the use of this level these suggestions are made:
Exposure	1. Describe the importance of community relations to business. 2. Identify the variety of sources from which the community learns about a company. 3. Discuss the importance of company involvement in community and professional organizations.	1. Collect local newspaper clippings that illustrate community relations activities of small businesses. 2. Have a local entrepreneur discuss his or her community relations activities with the group.
Exploration	1. Identify the outcomes expected of maintainign good community relations. 2. Cite the objectives of a community relations program. 3. Explain how community relations programs can help companies recruit qualified staff.	1. Invite someone from your local paper to explain institutional advertising and its importance. 2. Collect copies of local newspapers for one week and find articles on community relations programs.
Preparation/Adaptation	1. List the procedures to be followed in maintaining good community relations. 2. Identify those who should administer and implement the community relations program and describe their functions. 3. List and describe the six recommended steps in planning a community relations program. 4. List the media available for communicating your company's community relations activities.	1. Invite a member of a public relations consulting firm to meet with the group to describe the different types of assistance and costs available to entrepreneurs. 2. Have someone from a local civic or service club meet with the group and describe the benefits entrepreneurs receive by joining the association. 3. Invite a manufacturer who conducts tours and open houses to explain the benefits of these community relations activities

The PACE series consists of these parts and units.

PART I: GETTING READY TO BECOME AN ENTREPRENEUR

- Unit A: Nature of Small Business
- Unit B: Are You an Entrepreneur?
- Unit C: How to Succeed and How to Fail

PART II: BECOMING AN ENTREPRENEUR

- Unit A: Developing the Business Plan
- Unit B: Where to Locate the Business
- Unit C: Legal Issues and Small Business
- Unit D: Government Regulations and Small Business
- Unit E: Choosing the Type of Ownership
- Unit F: How to Finance the Business
- Unit G: Resources for Managerial Assistance

PART III: BEING AN ENTREPRENEUR

- Unit A: Managing the Business
- Unit B: Financial Management
- Unit C: Keeping the Business Records
- Unit D: Marketing Management
- Unit E: Successful Selling
- Unit F: Managing Human Resources
- Unit G: Community Relations
- Unit H: Business Protection

RESOURCE GUIDE